

# WIPO Expert Forum on Technology Transfer

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Discussion of K. Maskus & K. Saggi (2014) “International Technology Transfer: Analysis from the Perspective of Developing Countries”

Walter G. Park  
American University, Washington, D.C.

# Innovation: Global Distribution

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## ► Patent Priority Filings

	1995	2009
Developed Countries	85.9%	67.4%
Developing Countries	14.0%	32.5%
Least Developed Countries	<0.1%	<0.1%
<b>Developing Countries*</b>	<b>2.4%</b>	<b>1.6%</b>

\*Excluding China, South Korea, and Taiwan. Classification based on U.N.

Source: W. Park (2014), "Intellectual Property Rights and Economic Policy: 2000 – present," in Robert Wright and Tom Zeiler (eds.), *Guide to U.S. Economic Policy*, Chapter 25, New York: Sage Publications. Figures based on EPO *Patstat*.



# Technology Transfer: Global Distribution\*

	Trade		FDI		Licensing	
Year	<u>1995</u>	<u>2010</u>	<u>1995</u>	<u>2010</u>	<u>2000</u>	<u>2010</u>
Developed Countries	71.7%	59.4%	83.7%	75.8%	87.1%	81.0%
Developing Countries	27.7%	39.5%	16.0%	23.8%	12.9%	19.0%
Least Developed Countries	0.6%	1.1%	0.3%	0.4%	<0.1%	<0.1%
<b>Developing Countries**</b>	<b>20.9%</b>	<b>25.7%</b>	<b>13.3%</b>	<b>20.2%</b>	<b>8.6%</b>	<b>11.8%</b>

\* Volumes measured in terms of sums of Export-Import Flows or Outward-Inward Stocks.

\*\* Excluding China, South Korea, and Taiwan

Source: W. Park (2014), "Intellectual Property Rights and Economic Policy: 2000 – present," in Robert Wright and Tom Zeiler (eds.), *Guide to U.S. Economic Policy*, Chapter 25, New York: Sage Publications. Figures based on UNCTAD Stat.

# Highlights

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- ▶ Role of IPR mixed and benefits concentrated
- ▶ Structural impediments to inward TT for low-income countries
- ▶ Channels of Inward TT
  - ▶ Traditional: FDI, Trade, Licensing, Joint Ventures
  - ▶ Thinking broader: Open innovation, Global Innovation Networks (GIN), and Migration
- ▶ Goals: Access to Knowledge (A2K) and Capacity-Building
- ▶ Make inward TT incentive-compatible (cf. China's indigenous innovation policy)
- ▶ IPR should be tailored to developing country needs



# Policy Actions: Further Elaboration

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- ▶ **Global Innovation Networks (GIN)**

- ▶ Narrow definition: R&D Affiliates of MNCs
- ▶ Broader: startups, academia, public research labs, SSO, gov't agencies
- ▶ Challenges: participation from low-income; reduce barriers (regulatory and technical); meet R&D needs in low-income areas, such as in essential medicines, environment, ICT infrastructure, education, energy, agriculture, ...

- ▶ **Access to Basic Science & Technology (ABST)**

- ▶ Support GINs – facilitate international diffusion of S&T resources (researchers, funds, databases, publications, ...)
- ▶ Create common pools – e.g. knowledge, 'know-how' available for licensing – and norms for distribution



# Complementary Developments

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- ▶ GIN & ABST can latch on to:
  - ▶ ‘User Rights’ Research
    - ▶ Flexibilities, limitations & exceptions
    - ▶ Adaptations, Investments and Industries based thereon
  - ▶ Creative Commons (CC) vs. ©
    - ▶ Yield/waive IPRs
    - ▶ Public licensing model (Attribution/Commercial/Derivative/Sharing)
  - ▶ Open Educational Resources (OER)
    - ▶ Address structural factors (human K development, absorptive capacities)
    - ▶ Open licensing model (allows free use & repurposing of works)

